

Improving Storefronts

Guidance on developing a storefront improvement program for place-based economic development



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Introduction

IN A STOREFRONT IMPROVEMENT PROGRAM, business and property owners in a specific district or commercial corridor receive assistance to improve the look of their building facades and therefore the look of the overall neighborhood. These exterior improvements typically include painting, murals, awnings, signage, lighting, brickwork repairs, doors, windows and more.

Often used as part of a larger, place-based economic development strategy, such programs offer several benefits. Buildings that clearly reflect the character of a business and look appealing attract more customers. Commercial districts can create a greater sense of place by reflecting the unique styles of small business owners. This attracts nearby residents to shop locally and helps others see a commercial district as a destination, bringing in customers from outside the area.

Storefront improvements also help local business owners transform the visual appeal of their businesses on a modest budget and bring investment to historically disinvested neighborhoods. This guide will help you start developing a storefront improvement program in your community.



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Phase 1: Set the Stage

Participant Eligibility

Who can apply? Define who your eligible grantees are and set standards for making award decisions. Tailor eligibility to fit your local context. Some parameters may be determined by your geographic area (see next section) and your funders' or partners' requirements.

Things to consider:

- 1. Build in equity: Prioritize BIPOC-owned businesses and those located in disinvested communities.** Think about what barriers or gaps exist that may limit participation and design your program to eliminate those gaps. In prioritizing BIPOC-owned buildings and businesses, consider setting a target of how much of your funding you want to invest in this particular demographic.
- 2. Will you set requirements around how long a business has been in operation (targeting “legacy” businesses versus startups)?** Consider focusing on longstanding and legacy businesses with roots in the community. You may also choose to help new business owners who could benefit from help covering the costs of moving into a new storefront space.
- 3. Are property owners and small business tenants both eligible?** Property owners may have more liquid cash for larger scale projects, but storefront improvement can be a valuable attraction and retention tool for businesses. For neighborhoods experiencing gentrification and displacement of minority residents, a grant could have a significant impact for retention of BIPOC-owned properties and businesses.
- 4. For capital improvements, what process do you have to ensure there are no active violations on the building and/or the business owner has the appropriate permits to do the work?** Are there zoning or signage requirements to consider? Are there fiscal, environmental, or other circumstantial factors that will affect eligibility (e.g., buildings located in flood plains or properties with tax liens)?
- 5. Consider creating a community advisory group to participate in application evaluations.** Keep the group small and invite community members that represent a range of viewpoints, such as chamber leaders, small business support organizations, and grassroots community leaders who are connected to residents. This will make it a community-informed effort. These representatives can help market the opportunity to prospective participants. As with all committees, ensure there is representation that reflects the neighborhoods you are looking to serve. For example, if 75% of neighborhood residents are people of color then the committee should represent that local diversity.

Geographic Area

Determine your target area for storefront improvements. Will you focus on a single neighborhood or commercial corridor? Will your program need to serve multiple districts or an entire city?

Things to consider:

- 1. Prioritize low- and moderate-income (LMI) districts.** Discuss areas of need with your community partners. Consult local plans and/or studies that identify additional neighborhoods with a history of disinvestment that could benefit from a program like this.
- 2. Look for corridors in need.** Survey the physical conditions of buildings to identify areas with a high concentration of buildings in disrepair and better understand local needs.
- 3. Start with a small area.** A concentration of improved storefronts along one or two commercial corridors will have a more visible impact in the community than projects spread over a large area. Once you have critical mass in a small area, you can expand outward from there, and interest in the program will grow.
- 4. Identify potential partners working in target neighborhoods,** such as merchant associations, resident associations and others that get you connected and build trust.



Spotlight on Eligibility: LISC Virginia's 6BIZ Initiative

LISC Virginia's 6BIZ initiative assists property and business owners in implementing projects as envisioned by community members in Richmond's Highland Park neighborhood. 6BIZ awardees receive grant funding towards their project plus design and concept planning sessions and next-step coordination with a local non-profit design center.

Some eligibility requirements have become standard across façade improvement programs, with a few locally-specific details. Businesses seeking funds through the 6BIZ initiative must meet the following common conditions:

1. A legal business entity established with the State Corporation Commission (for LLCs, partnerships, corporations)
2. A Fictitious Name Certificate, if operating as a sole proprietorship
3. A business license (as required by the City of Richmond)
4. A Federal Tax Identification Number

5. A business checking account
6. A physical location within the boundaries of the program's target area
7. A personal credit history check.
No business owners with federal/state tax liens, unsatisfied judgments, delinquent student loans, currently past due credit accounts, or a recent bankruptcy are eligible for awards.
8. A background check
9. A written business plan

Businesses must also meet the following unique local requirements:

1. Participate in one-on-one business coaching sessions within 12 months of award
2. Apply for the City of Richmond's Commercial Area Revitalization Effort (CARE) program for applicable reimbursements



Program Management

Decide who will fill various roles in running the storefront improvement program. Will your organization handle it alone? Will you partner with another organization or with a city agency? Who will play what role within your organization and/or your partners?

Things to consider:

- 1. Who will be the program lead?** The program lead will need to spend significant time working one-on-one with businesses, managing program implementation and helping manage contractors and designers (if applicable). You will need someone with strong local businesses relationships and good project management skills.
- 2. Who will be in charge of application intake?** The intake partner will need to promote and field initial interest in the program, help to assess eligibility, and acquire bids and other required materials from applicants. In some cases, this person may even assist businesses with writing their applications. Local business improvement district managers, community-based organizations, and business development organizations are often natural partners for this role.
- 3. Ensure staff in applicant-facing roles are accessible to community members.** Consider flexible hours during evenings and weekends and staff fluency in languages spoken by local business owners to increase equity.
- 4. Other functions to consider may include design and construction assistance, or a small business coach who can provide technical assistance to help applicants beyond the storefront improvement program.** Depending on the goals of your program, some additional offerings might be more important than others. In some cases, an organization might play multiple roles.
- 5. Don't underestimate the time and effort it will take to run this program.** Participants will vary in their experience. Some may have never worked with an architect or designer, completed a construction project or navigated local permitting and code requirements. They may require significant hands-on assistance.

Budget

Determine the total budget for the program. Define the budget based on your local context and the needs of the participants there. Project the size and number of grants available.

Things to consider:

1. **When developing a program budget, include grant funding, as well as the costs of running the program,** such as administration, communications, outreach, technical assistance, design, and any funds that will go to partners.
2. **What are the minimum and maximum amounts that applicants can request?** Consider the cost of materials and labor in your market and the scale of improvements you are aiming to achieve. What can a business owner do with \$2,000? \$10,000? \$25,000-\$50,000?
3. **Will you require applicants to match the grant funds?** The best practice in storefront improvement initiatives is to include a match requirement. By contributing some of their own capital, businesses have a stake in making sure the project is completed on time. Some programs require a 50% match and some as low as 10%. In cases like the COVID-19 pandemic, natural disaster or other emergency, it may be appropriate for you to waive any match requirement and cover small grants at 100%. Any matching component should reflect an investment that businesses can responsibly afford.



Phase 2: Design Your Program

Eligible Activities

Like many other grant programs, storefront improvement grants are made to accomplish a specific purpose. These funds must be used for activities that advance the intent of the program: to support local stakeholders in enhancing the appearance of commercial buildings and their surroundings. You will need to determine what activities can be covered by your grant funds and what activities are ineligible.

Things to consider:

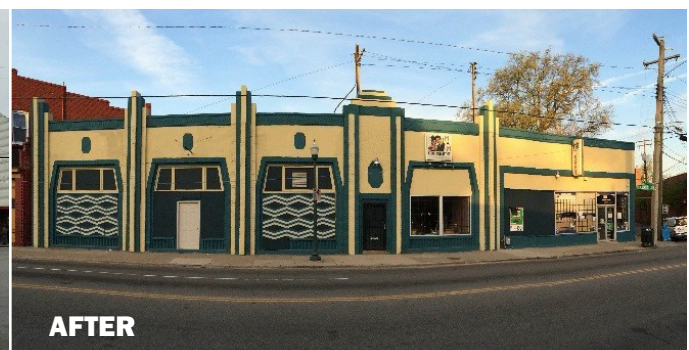
- 1. Will funds be eligible for external repairs only, or is any work on the interior of the business allowable?** Will eligible grant expenses include design services or physical improvements only? Can the grant be used to cover a mural, celebrating the neighborhood identity? Typically, programs focus on building exteriors and cover both hard and soft costs for construction.
- 2. Emphasize the importance of improvements that meet ADA requirements and increase accessibility for people with disabilities.**
- 3. Exterior improvements not only beautify an area, but intentional design elements can prevent crime and improve the neighborhood quality of life** (e.g. nighttime lighting, windows looking onto streets and parking lots, etc.). Encourage applicants to review [crime prevention through design principles for exterior design](#) (especially lighting) and fund improvements that would increase safety.
- 4. Specify eligible uses** such as contractor materials and labor, and non-eligible uses such as equipment, business overhead or employee salaries. Are there amenities like bike racks, street furniture or planters that are eligible if part of a larger storefront project?
- 5. Improvements must align with design priorities set by the program.** Best design practices in storefront improvement programs across the country include simple signage, keeping windows clear of obstructions, uncovering historic building details and more. Keep these best practices in mind while remaining sensitive to potential differences in participants' aesthetic preferences. Value local cultural contexts and neighborhood history in design considerations.
- 6. Are there wage requirements or other procurement processes to consider when planning for projects?** Your funding source may dictate specific requirements. Identify opportunities to utilize local and BIPOC-owned firms.
- 7. How long will successful applicants have to complete their project?** Three months? Six months? How often can an applicant apply? Can they apply for multiple projects at once?

Process

Set up a process for sharing program information, receiving applications, making funding decisions, distributing money, completing projects, and following up with grantees.

Things to consider:

- 1. What is your outreach strategy to connect with businesses in your target area?**
Do you need a go-between to help you contact business owners and build trust in your program?
- 2. How will applicants submit their information?** Will they apply on paper or online?
Consider the digital access and language needs for businesses in the area and ensure you're providing equitable access to the opportunity.
- 3. What are your deadlines?** How often will you accept applications? On a rolling basis? Annually?
- 4. Who will collect and review applications?** Who will make decisions about funding awards and amounts? Will the program lead be solely responsible for this or will you have a committee? If the latter, what are the parameters for when and how often they meet and how they make decisions?
- 5. How will grants be paid?** Make clear what documentation you will require to process grantee payments (e.g. detailed receipts, photographs, etc.) Will you write physical checks or transfer funds? Will applicants access a portion of their funds upfront or on a reimbursement basis?
- 6. Will you connect participating businesses with local technical assistance providers?** This support can help business owners plan their grant activities and improve their capacity to carry them out.
- 7. What will be required of grantees beyond the initial application?** Will they need to submit reports on their activities? What will the reports entail?
- 8. Take photographs early and often.** Always take many before, during and after photographs to document progress. Your organization or one of your partners should be responsible for documenting the projects, rather than relying on the individual businesses to do so.



Templates & Tools

Create standard forms for applicants and decisionmakers to use. These documents must clearly lay out the requirements and steps of the process and request all necessary information.

Things to consider:

1. A written set of program guidelines and an application form
2. A list of eligibility and selection criteria
3. A grant agreement template to formalize expectations in writing with grantees.
4. Design guidelines that give examples of the kinds of improvements you and your community want to see.
5. Lists with contact information for local, vetted, contractors who do quality work (such as general contractors, sign makers, painters, and electricians). Be sure to highlight BIPOC and women-owned businesses.

RIGHT: This excerpt from a NYC Small Business Services guide to storefront improvements provides some simple do's and don'ts for signage

Historic Signs

When maintained, older signs can make businesses stand out and showcase the character and history of a neighborhood.

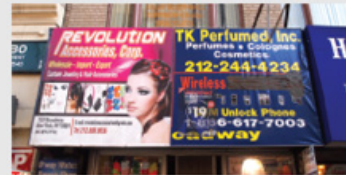


Illuminated Signs

In neighborhoods where businesses are open late, an illuminated sign may be a desirable option. These signs need a special permit that must be renewed every year.



Don't install oversized signs that cover building details.



Don't put too much information on signs. They appear cluttered and are hard to read.

Phase 3: Launch Your Program

Applications

Once you have designed your process, you will be ready to start soliciting applications. Make sure you reach the business owners in your target area so they can learn about your program, ask questions and apply for it.

Things to consider:

1. **Prepare to do significant on-the-ground outreach.** Walk the district, visit businesses, and talk face-to-face with the owners. Collaborate with merchant associations, neighborhood associations and other partners.
2. **Host information sessions and office hours** to present the opportunity and answer questions.
3. **Provide marketing materials with before-and-after pictures** to help demonstrate the value of the program. Highlight local pictures and examples once they are available.
4. **Allow time for outreach.** Know that businesses will be reluctant at first because the opportunity will be new and untested locally. More will want to participate once one project has been completed and they can see the impact.

Grant Awards

Use transparent and specific selection criteria to determine successful applications and make grant awards. This is the exciting part of the program, so be sure to share the news with your community.

Things to consider:

1. **How will you announce awards?** Publicize your grant awards so people know to expect great things from your program, organization, and community.
2. **Keep track of why you selected the winners.** What criteria did they meet and how? Create grantee profiles to share with funders and local media. When the work is complete, you can add to these stories. This will help with future marketing efforts.
3. **Consider providing feedback to unsuccessful applicants about why they were not selected.** This information could equip them to succeed in a future round.
4. **Make sure your grant agreements are clear and specific** about what activities are being funded, what you need from the grantee, and what your expectations are.

Panel Priorities in LISC Indianapolis' Small Business Façade & Property Improvement Program

In its 16-year program history, the LISC Indianapolis [façade improvement grant program](#) has made over 510 grant awards to local businesses and property owners. To evaluate applications for the program, LISC Indianapolis instituted a project review panel made up of community partners that uses agreed-upon criteria established by the group when making award decisions.

The panel prioritizes investments that:

1. Complement LISC's place-based initiatives where community plans have been established
2. Are located in disinvested neighborhoods and assist a struggling commercial corridor
3. Assist small businesses with a focus on BIPOC-owned businesses, those that are creating jobs and/or are otherwise engaged in the community
4. Stand to dramatically improve the front-facing façade and include CPTED (Crime Prevention Through Environmental Design) principles
5. Leverage additional resources
6. Can be completed within a realistic timeline



Design, Construction & Other Assistance

Funding is often only one obstacle in the way of storefront enhancements. Some small business owners may not know what such projects entail or how to go about them. How can you offer additional knowledge and tools to help them achieve their goals of improving their business and the goals of the program?

Things to consider:

1. If feasible, consider paying for the cost of an architect or designer to create concept designs for proposed improvements as an added benefit for participants. This is another great way to incorporate small, local, BIPOC-owned businesses into your process.
2. See if a local design firm would be willing to donate its services or if a local university with an architecture or design program would engage students as part of their coursework.
3. Determine how much hands-on assistance during construction you will provide. Some businesses may require help communicating with contractors to adhere to design priorities, negotiate costs and stay on schedule while others may have prior experience and require less assistance. Regardless, it is important to stay engaged during construction to ensure the program requirements are upheld.
4. Grantees may also need help with permitting or city code processes. Figure out ahead of time where they can go for help and what services will be available.
5. What supplementary services will be available to grantees? These might include referrals to local business development organizations to assist businesses with accessing additional capital, creating a website or setting up an online store.



Phase 4: Keep It Going

Evaluation

Ensure the success and sustainability of your storefront improvement program by highlighting its success. Plan to gather data on the grants you commit and the results.

Things to consider:

- 1. Designate a contact person to ensure grantees are completing their reporting and staying on track to finish the project on time.** This contact will assist participants that need technical assistance or run into unforeseen challenges in completing their projects.
- 2. What evaluation metrics will help you show the success of the program?**
Consider measures like quality jobs created, dollars invested and leveraged, local firms engaged, increases in revenue and first-time customers. What, if any, metrics do your funders require and what does success look like to your organization and partners?
- 3. Ask participants to complete a survey about the impact of their project and their experience with your program.** Their answers will provide content for your communications efforts as well as feedback on how to improve the program.
- 4. Build into the application or grant agreement a requirement that recipients agree to maintain improvements for a specific length of time** (5 years is common).
- 5. Create and distribute a one-pager or postcard on good maintenance practices** for grantees and other businesses in the district.
- 6. Send annual reminder postcards and stop by the businesses to remind them** about upkeep and continue connecting them to local service providers based on their business needs.

Fundraising

Raising money is critical to sustaining your program. There are several potential sources you may explore, both public and private.

Things to consider:

1. **Corporations, especially those with an interest in supporting BIPOC-owned small businesses.** Also try corporations with business relevant to the work being performed: construction, paint, hardware, electric, signage.
2. **Banks, which provide grant and loan dollars to community-based nonprofits.** In addition to grant dollars, banks might be willing to explore ways to offer flexible loans to the businesses.
3. **Philanthropy, particularly if there is a local foundation with an interest in neighborhood investments or entrepreneurship.**
4. **City or state revitalization and economic development agencies.** Investigate opportunities to participate in relevant programs.
5. **Community Development Block Grant funds through local government.** Local jurisdictions can use their allocations of these flexible federal funds for economic development activities, including direct grants to nonprofit organizations. Know that the eligibility and compliance requirements for these funds can be intensive. There are also hybrid models, in which city staff handle the disbursement of grants and fund community-based partners to do outreach and eligibility screening.

Communication

Communicate the benefit of your program to others who might invest, participate, or share your story to improve program sustainability and impact. Demonstrate the value of storefront improvements in providing a tangible, visible outcome of hard work and collaboration.

Things to consider:

1. **Be sure to take photographs regularly – before, during, and after the work – to document projects.** Take more than you think you will need from different angles. Take portraits of the business owners outside of their finished projects if they are willing and available. Create business spotlights showcasing the transformations. Post them on your website and share on social media.
2. **Pitch stories to local media.** If stories are published, share them widely and use them in fundraising efforts.
3. **Think about other ways to celebrate and share success,** such as unveiling events, walking or biking tours and press conferences.

Tips for Success from LISC NYC's Commercial Corridor Challenge

LISC New York City has worked with partners including Citi, the New York City Department of Small Business Services, and neighborhood organizations on its Commercial Corridor Challenge, which provided financial and technical assistance to boost visibility, cleanliness and safety for businesses along targeted commercial corridors. Even in a busy media market, the successes of this program received attention from several local news outlets.

Tips for success include:

1. Take plenty of high-quality pictures and video to capture the spirit of the neighborhood and merchants. Hire neighborhood residents to help you.
2. Fund small, “early action” grants for quick, visible changes that can help you show immediate improvement. These can be as simple as new storefront signage, small paint jobs or placement of flower planters in front of stores along the corridor.
3. Hold neighborhood celebration events at the launch or the close of your corridor improvement program (or both). Invite local press, public officials, neighborhood residents, and merchants to show them what you're kicking off and/or what you've achieved.
4. Rely on neighborhood leaders and partners to share your messages with their own networks. You can draft sample copy for them to disseminate.
5. Capture data that can help you tell the story, such as:
 - a. Pre- and post-program surveys of customer perceptions of the corridor
 - b. Tracking engagement of business owners at merchant association meetings and events
 - c. Pedestrian counts of foot traffic along your corridor
 - d. Increases in sales/revenues (this may be anecdotal in the short term)
 - e. Customer satisfaction surveys
6. Consider working with a communications consultant if you have the budget. They can craft stories and solicit media attention or create a plan for you to execute.



Additional Resources

Some examples of local programs and helpful resources as you develop your program include:

- City of Boston, [Restore Boston](#)
- City of Minneapolis, [Great Streets Program](#)
- City of Philadelphia, [Storefront Improvement Program](#)
- City of San Diego, [Storefront Improvement Program](#)
- LISC [Economic Development](#)
- LISC Indianapolis, [Façade and Property Improvement Program](#)
- LISC Indianapolis, [Crime Prevention Through Environmental Design](#)
- LISC NYC, [Commercial Corridor Resource Hub](#)
- LISC NYC, [Storefront Improvement Design Guidelines](#)
- LISC Virginia, [6BIZ](#)
- Main Street America, [Façade Improvements](#)
- Main Street America, [Measuring the Economic Impact of Storefront Improvements](#)
- New Orleans Development Authority, [Façade RENEW](#)
- NYC Department of Small Business Services, [Storefront Improvement](#)

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